

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

LYDIAN PRIVATE BANK,
d/b/a VIRTUALBANK,

Plaintiff,

-against-

STEVEN M. LEFF, RICHARD A. LEFF,
RACHEL M. LEFF, and NATIONAL
SETTLEMENT AGENCY, INC.,

Defendants.

Case No.: 07 Civ. 8173 (LTS)(MHD)

ECF Case

**DECLARATION OF
CHRISTOPHER T. BOLDMAN
IN SUPPORT OF
APPLICATION FOR
DEFAULT JUDGMENT**

CHRISTOPHER T. BOLDMAN hereby declares, under penalty of
perjury:

1. I am Executive Vice President and General Counsel at plaintiff Lydian Private Bank d/b/a VirtualBank ("Lydian"). I have been employed by Lydian since 2001. I make this declaration in support of Lydian's application (the "Application") for the entry of a default judgment against defendants National Settlement Agency, Inc. ("NSA") and Steven M. Leff ("Steven Leff"). Unless otherwise indicated, I have personal knowledge of the facts set forth herein.

2. The factual allegations of the Complaint relevant to this Application are set forth in the accompanying Declaration of Charles R. Jacob III, dated November 27, 2007 (the "Jacob Decl.").¹

3. The damages Lydian seeks arise from defendants' breach of their obligations under the Service Agreement and their diversion of funds in connection

¹ Capitalized terms not defined herein are used with the same meanings as in the Jacob Decl.

therewith, and can be readily determined by the amount of “shortfalls” with respect to certain mortgage loans that Lydian funded.

4. Steven Leff has acknowledged to Lydian the following “shortfalls” totaling \$1,398,024.85 with respect to mortgage loans that Lydian funded:

Ubilla	\$ 406,845.36
Friedman	\$ 280,397.14
Ovanez	\$ 393,826.39
Ovanez	\$ 168,545.58
Perlingieri	\$ 35,566.03
Perlingieri	\$ 81,021.19
Perlingieri	\$ 26,428.00
Garcia	\$ 3,510.90
Coates	\$ 173.00
Hsu	\$ 936.26
Hsu	\$ 450.00
Malik	\$ 325.00
<u>Total:</u>	<u>\$1,398,024.85</u>

(Complaint ¶ 30).

5. Lydian also was forced to incur fees in the amount of \$3,095.00 as a result of NSA’s bouncing of checks. Together with \$1,398,024.85 as set forth above, this brings Lydian’s total loss to \$1,401,119.85.

6. Interest to date from June 30, 2007 (all diversions of funds occurred prior to June 30, 2007) is running at the amount of \$345.48 *per diem*. I computed this by multiplying \$1,401,119.85 by the New York statutory interest rate of 9%, and dividing the result by 365 days.

7. Accordingly, Lydian requests that the Court grant a Default Judgment against NSA and Steven Leff in the total of these amounts:

- Damages in the amount of \$1,401,119.85; plus

- Interest from June 30, 2007 to the date of entry of judgment at the *per diem* rate of \$345.48.

8. No part of the total requested judgment amount has been paid.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct.

Executed on the 27th day of November, 2007

A handwritten signature in black ink, appearing to read 'C. Boldman', is written over a horizontal line.

Christopher T. Boldman